

# **Occupational Characteristics of Leading Canadian Executives**

## **Caractéristiques occupationnelles des dirigeants dans les grandes entreprises canadiennes**

Larry F. Moore et William G. Daly

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### Résumé de l'article

Pour connaître le lieu d'origine, le milieu social, la formation et la carrière professionnelles des dirigeants d'entreprise de renom au Canada, on a eu recours à un questionnaire-enquête. Les interviewés, des présidents de conseil d'administration et des présidents ou vice-présidents de grandes entreprises canadiennes principalement, ont répondu dans une proportion de 49 pour cent et 485 réponses étaient utilisables pour fins d'analyse.

71 pour cent des répondants étaient nés au Canada, mais un pourcentage anormalement élevé d'entre eux provenaient de la Colombie Britannique et des provinces des Prairies, alors que le Québec et les Maritimes n'ont pas donné leur juste part. Les différences d'éducation et de culture peuvent expliquer cette constatation. Les dirigeants originaires des États-Unis détiennent un nombre beaucoup trop considérable des postes de commande dans les grandes entreprises canadiennes, principalement dans les industries qui se sont développées rapidement.

Un fort pourcentage des dirigeants d'entreprise importants étaient natifs de la ville, avaient une éducation avancée et avaient commencé leur carrière comme cols blancs. La plupart avait reçu leur instruction post-secondaire au Canada, principalement dans les grandes universités de Toronto et de Montréal ainsi que dans les collèges privés d'Ontario. Il est manifeste que beaucoup d'entre eux ont émigré de leur place d'origine vers ces centres de haut savoir. Fait frappant, la proportion de hauts dirigeants formés dans les universités de langue française est presque négligeable.

Comme on pouvait s'y attendre, on retrouve une grande partie des dirigeants, qui possèdent une formation supérieure, dans les industries qui comptent un fort pourcentage d'entreprises jeunes et en voie d'expansion. De même, il y a un pourcentage plus élevé de dirigeants de formation supérieure dans les firmes où la proportion des capitaux étrangers est la plus élevée.

Enfin, le passage des postes commandés secondaires aux postes de commande supérieurs se fait très rapidement et 89 pour cent des répondants ont été promus à des fonctions de direction après moins de quinze ans de service. D'une façon générale, le cheminement de la carrière des dirigeants d'entreprise canadiens importants ressemble de très près à celui des dirigeants d'entreprise de renom aux États-Unis.

# Occupational Characteristics of Leading Canadian Business Executives

Larry F. Moore and William G. Daly

*The purpose of this study is to investigate the geographic origins, the social and educational backgrounds and the occupational and career patterns of top executives in Canadian Companies.*

The Economic Council of Canada, in its *Fifth Annual Review* strongly points out the central requirements of the business manager in Canadian industrial society.

« the management of innovation and technological change requires willingness to assume risks, along with creative imagination, entrepreneurial drive, and organizational skills of a high order.»<sup>1</sup>

Men occupying the strategic decision-making positions in major corporations have significant influence on the economic, social and political affairs of the nation. Unfortunately, although corporations themselves seem to attract much attention and publicity, business executives themselves arouse little popular interest. Yet social scientists, particularly in the United States, have recognized the critical need for factual knowledge concerning top business executives.

An early study on the origins of business leaders was done by Tausing and Joslyn at Harvard University.<sup>2</sup> This work examined career and social mobility of business leaders and provided methodological guidance and comparative data for later studies.

MOORE, Larry F., Associate Professor of Organizational Administration, University of British Columbia.

DALY, William G., Instructor, Institute of Technology, Northern Alberta.

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<sup>1</sup> Economic Council of Canada, *Fifth Annual Review*, Ottawa, Queen's Printer, 1968, p. 43.

<sup>2</sup> Frank W. TAUSSIG and Carl S. JOSLYN, *American Business Leaders*, New York, MacMillan, 1928, 319 pp.

Warner and Abegglen studied the vertical occupational mobility of business executives in the largest U.S. firms.<sup>3</sup> Industries were represented according to their contribution to national income. More than 17,000 questionnaires were mailed directly to executives and the response rate was 48.8%. The results indicated that executive mobility had increased since 1928 and that men born into upper-level families were more likely to succeed and to have more advantages than those lower down the social scale.<sup>4</sup>

About the same time, Newcomber was using a different approach in exploring factors relative to executive success.<sup>5</sup> The research was directed toward the president and chairman of the board of leading corporations in 1900, 1925 and 1950. Biographical data provided insights regarding the origin, education and business careers of the chief executives. The study revealed a trend away from inheritors and organizers toward men with long experience with the firm and with a university education.

*Fortune Magazine* has analyzed the backgrounds of the three highest paid men in the 250 largest industrial corporations, the 25 largest railroads and the 25 largest utilities. Data was provided on birthplace, compensation, age, experience, entry job with the firm, education and father's occupation.<sup>6</sup> A second *Fortune* study focussed on young executives.<sup>7</sup> Two hundred of the largest companies were asked to identify their successful executives. Subsequently, *Fortune* obtained 1000 questionnaire responses. Although control over sample selection was weak, the study provided information about age, background, life style, political orientation, values, and career patterns.

O'Donovan used the Warner and Abegglen approach to compare the backgrounds of executives and lower-level managers.<sup>8</sup> While the

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<sup>3</sup> W. Lloyd WARNER and James C. ABEGGLEN, *Occupational Mobility in American Business and Industry*, Minneapolis, University of Minnesota Press, 1955, 315 pp.

<sup>4</sup> *Ibid.*, p. 35.

<sup>5</sup> Mabel NEWCOMBER, *The Big Business Executive, the Factors that Made Him, 1900-1950*, New York, Columbia University Press, 1955, 164 pp.

<sup>6</sup> ———, « The Nine Hundred » *Fortune*, Chicago, vol. 46, no. 11, November, 1952, pp. 132 ff.

<sup>7</sup> Walter GUZZARDI, *The Young Executives*, New York, New American Library, 1965, 213 pp.

<sup>8</sup> T. O'DONOVAN, « Differential Extent of Opportunity Among Executives and Lower Managers », *Academy of Management Journal*, Seattle, vol. 5, no. 3, August, 1962, pp. 38-46.

scope of the investigation was limited to the examination of 326 questionnaires from only four corporations, a clear difference was found in the occupational origins of upper versus lower-level managers. Only one in five fathers of upper-level executives held low occupational positions compared with almost half the fathers of lower-level managers. Sixty-nine percent of the upper-level executives were college graduates compared with twenty-five percent at the lower levels. The educational levels of all other members of the executive's family — father, mother, wife and brother — were higher than for the respective members of the lower manager's family.

*Scientific American* sponsored a follow-up study to the Newcomber research which indicated that only 10.5% of the top executives came from wealthy families compared with almost half in 1900.<sup>9</sup> The percentage of those with science or engineering degrees increased five-fold between 1900 and 1964 while those with higher education had doubled. Unfortunately, the study did not separate business administration training from social science and humanities.

#### STUDIES OF CANADIAN EXECUTIVES

Porter conducted some early analysis on the backgrounds of Canadian business leaders.<sup>10</sup> Starting with a Dominion Bureau of Statistics list of establishments employing over 500 in 1948, Porter eliminated subsidiary firms and minor companies to develop a list of 183 « dominant corporations. » To this group were added the chartered banks and the ten largest insurance companies in Canada. Members of the boards of directors for the companies were designated the economic elite of Canada. From various reference books biographical data was obtained on 77.1% of the original sample. The study revealed a high degree of internal recruitment as indicated by family continuity within the management or on the boards of directors. Almost three-fifths of the directors had earlier careers in engineering-science, finance, and law. Comparatively few of the « elite » were trained in commerce or business administration. Unfortunately, Porter's study was based on the premise that actual

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<sup>9</sup> Jay M. GOULD, *The Big Business Executive — 1964 : A Study of His Social and Educational Background*, New York, Scientific American, Inc., 1965, 185 pp.

<sup>10</sup> John PORTER, « The Economic Elite and the Social Structure of Canada », Toronto, *Canadian Journal of Economics and Political Science*, vol. 23, no. 3, August, 1957, pp. 376-394.

control of major organizations resides in the hands of the board of directors — his study neglects the top-level operational executives.

A statistical survey on the Canadian executive was published by *Executive*. From a sample drawn from the magazine's circulation list, 1302 responses were received (41% of the original sample).<sup>11</sup> Although some data was collected concerning educational background, family, and activities, most of the questionnaire dealt with spending habits. No interpretation of the statistical information was attempted and the motive of the study was mainly market research.

In 1967, Belanger used the Warner approach to explore occupational mobility in the province of Quebec; however, the study was confined to a comparison of English speaking and French speaking managers in one province only. Belanger restricted his analysis to Canadian born managers of firms grossing over one million dollars in 1963. He concluded that the chances of a French speaking Canadian reaching the top echelon of business in Quebec were as good as for the Anglophone.<sup>12</sup>

The purpose of the present study was to investigate the geographic origins, the social and educational backgrounds and the occupational and career patterns of top executives in Canadian companies.

## METHOD

The four-page questionnaire which provided the data for this study followed a general format similar to the Warner and Abegglen questionnaire; however, several questions were dropped or modified. Other questions were added. The questionnaire was mailed to the three most senior officers in the largest business concerns in Canada. To the *Financial Post* list of 100 largest manufacturing firms were added other firms with over 500 employees or assets over 25 million dollars.

From the 986 questionnaires sent, 485 usable responses were received for a 49.2% response rate. This return is slightly higher than

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<sup>11</sup> ———, « Portrait of the Canadian Executive », *Executive*, Toronto, vol. 10, no. 3, March, 1968, pp. 48 ff., no. 4, April, 1968, pp. 53 ff., no. 5, May, 1968, pp. 53 ff.

<sup>12</sup> Laurent BÉLANGER, *Occupational Mobility of French and English Canadian Business Leaders in the Province of Quebec* (Unpublished Ph.D. dissertation) E. Lansing, Michigan State University, 1967, pp. 69-72.

the 47.6% return in the Warner (1955) study. Responses from company presidents or chairmen of boards of directors accounted for the largest proportion of returns (46%) while responses from vice presidents and other senior officers totaled 41% and 13% respectively.

While 31% of the responses came from executives engaged in secondary manufacturing, the other responses were widely distributed among industrial, merchandising, transportation and financial sectors of the Canadian economy. Thus, the response rate and composition of the survey seems representative of the entire population selected for study.

## RESULTS

Origin. From which parts of Canada do her executives come? Do they leave their home provinces? What is their ancestry? Is Canada experiencing an influx of foreign executive particularly from the United States?

All parts of Canada, and foreign nations as well, seem to be supplying executives for big business in Canada. Over 71% of the respondents were born in Canada. While all sections of the country were represented in the group, almost a third were born in Ontario. The next largest group came from the prairie provinces of Manitoba, Saskatchewan and Alberta (17.5%). Quebec, the Atlantic provinces and British Columbia supplied smaller proportions of the Canadian business elite.

In order for these figures to tell an accurate story, a comparison must be made against the percentage of population in these geographic areas at the time the executives were being born.<sup>13</sup> As indicated in Table 1, when the 1921 Canadian regional population distribution is taken as a basis of comparison, it appears that Quebec and the Atlantic provinces have not produced their share of leading executives while the prairie provinces and B.C. are heavily represented.

Mobility of Canadian born executives out of their regions of birth has been high. Table 2 reveals that the number from the prairie and Atlantic provinces who hold their executive positions in the area in which they were born is less than one third. In contrast, over three-quarters of the executives born in Ontario are now at head offices in that province.

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<sup>13</sup> The average age of the respondents was 52.6 years with a standard deviation of 8.4 years and a range from 30 years to 80 years.

TABLE I  
BIRTHPLACES OF CANADIAN EXECUTIVES COMPARED WITH 1921 GENERAL  
CANADIAN POPULATION

<i>Place of Birth</i>	<i>Executive %</i>	<i>1921 Population %</i>	<i>Ratio of relative representation</i>
Atlantic provinces	5.4	11.3	.47
Quebec	11.6	25.8	.45
Ontario	33.1	28.6	1.16
Prairie provinces	17.5	10.1	1.73
British Columbia	3.6	1.9	1.89
Total Canada	71.2	77.7	.92
United Kingdom	8.8	12.2	.72
United States of America	16.3	4.3	3.79
Other	3.7	5.8	.65
Totals	100%	100%	1.00

TABLE 2  
CANADIAN BORN EXECUTIVE'S MOVEMENT OUT OF REGION OF BIRTH INTO  
PRESENT REGION OF BUSINESS

<i>Birthplace</i>	<i>Head Office of Firm</i>					<i>Total</i>	
	<i>Atlantic</i>	<i>Quebec</i>	<i>Ontario</i>	<i>Prairie</i>	<i>B.C.</i>	<i>Number</i>	<i>%</i>
Atlantic	7	9	8	—	1	25	7.6
Quebec	3	35	13	1	1	53	16.2
Ontario	2	26	120	4	2	154	46.9
Prairie	—	12	38	23	6	79	24.1
British Columbia	—	3	2	3	9	17	5.2
Totals	12	85	181	31	19	328	100.0

Fifty-nine percent of Quebec's Canadian born executives have moved in from other provinces.

Of the Canadian born executives, 70% were at least second generation Canadians, and 29% were third generation. On the other hand, as indicated in Table 1, American born executives are over-represented in relation to the general population. The United States supplied 16.3% of the Canadian executives although only 4.3% of the Canadian population in 1921 had been born there. In 1961, only 1.6% of the Canadian population reported a U.S. birthplace. Many of the U.S. born executives were found in industries which have experienced great expansion in Canada during the past 30 years — oil, chemicals and cement. Of the firms that had been in operation in Canada less than 20 years, 31.3% of the executives were born in the United States. On the average, they were more highly educated, particularly in the fields of business administration and engineering. Consequently, it appears that these executives were brought into industries where Canada had neither time nor facilities to develop its own experts.

Cities with 1921 populations in excess of 25,000 produced a disproportionately large share of Canadian born executives. Over 54% of the executives came from cities over 25,000 but only 25% of Canadians were city dwellers at that time. Moreover, more than 40% of the native Canadian executives in the sample were born in cities over 100,000 in population.

Education. What educational levels have been attained by leading Canadian executives? Do younger executives possess more formal education? What areas of specialization have been most heavily emphasized? Have any shifts occurred in subject areas selected for study? Which universities have provided formal training for these executives?

Probably the most significant factor distinguishing the respondents from the general population of Canada was the educational level attained by the executives. As shown in Table 3, 65.1% graduated from university, many with second degrees. This proportion contrasts strongly with 8.4% reported for the managerial occupation in a recent Economic Council study.<sup>14</sup> However, that study concerned itself with over 440,000 males

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<sup>14</sup> Gordon W. BERTRAM, *The Contribution of Education to Economic Growth*, Staff Study No. 12, Economic Council of Canada, Ottawa, Queen's Printer, 1968, p. 8.



classified as managerial in the 1961 census whereas this study is based on an elite group of top executives. Moreover, the present study agrees generally with previous studies. The proportion with degrees is higher than the 57% observed by Warner and Abegglen ; however it is not as high

TABLE 3

EDUCATIONAL LEVEL OF THE CANADIAN EXECUTIVE COMPARED WITH THE  
CANADIAN MALE LABOUR FORCE

<i>Educational Level</i>	<i>Canadian Executive</i>	<i>Canadian Male Labour Force Ages 25-64 *</i>
Less than high school	.8%	43.9%
Some high school	5.4	29.7
High school graduate	14.5	8.7
Some college	14.2	10.1
College graduate	42.6	5.6
Post graduate	22.5	
Totals	100%	100%

\* Source : Dominion Bureau of Statistics

TABLE 4

EDUCATION OF EXECUTIVES BY AGE CLASSIFICATION

<i>Educational Level</i>	<i>Percentage of Executives in Age Group</i>			
	<i>Under 45</i>	<i>45-54</i>	<i>55-64</i>	<i>over 65</i>
Less than high school	—	.6	.6	5.0
Some high school	1.0	5.1	6.4	20.0
High school graduate	5.3	17.7	16.1	20.0
Some college	14.4	13.2	14.5	25.0
College graduate	39.1	43.4	45.2	20.0
Post graduate study	40.2	20.0	17.2	10.0
Totals	100%	100%	100%	100%

as the 81% shown by Malferrari's study of executives born and educated in the United States but serving their corporations overseas <sup>15</sup>.

The level of educational attainment was greater among younger respondents. In Table 4, the percentage of senior executives possessing at least a bachelor's degree increases from 30% for those over 65 to 79.3% for those under 45 years of age. The proportion (40.2%) of executives under 45 years of age who have studied at the post graduate level is at least twice as high as any other age category presented in Table 4.

Fields of study for our executive respondents are indicated in Table 5. Approximately 40% of the executive respondents did undergraduate work in engineering. In order to examine changes in subject area emphasis, the sample was divided into two groups on the basis of age (50 and under ; over 50). In Table 5, the emphasis on post graduate educa-

TABLE 5  
EDUCATIONAL FIELDS OF STUDY FOR CANADIAN EXECUTIVES

<i>Field of Study</i>	<i>undergraduate 50 and</i>		<i>graduate 50 and</i>	
	<i>under</i>	<i>over</i>	<i>under</i>	<i>over</i>
Arts, languages, humanities	12.8%	13.0%	5.6%	3.5%
Geology, biology, zoology	6.0	4.7	5.7	10.5
Social sciences	5.1	3.6	3.8	7.0
Mathematics, physics, chemistry	5.1	8.3	3.8	7.0
Engineering	39.3	42.0	13.2	14.0
Commerce and business administration	22.3	19.6	49.3	19.3
Chartered accountancy	5.1	4.2	14.8	12.3
Law	4.3	4.6	3.8	21.1
Others not included above	—	—	—	5.3
Totals	100%	100%	100%	100%
Number responding	117	193	53	57

<sup>15</sup> Carlos J. MALFERRARI, *The American Executive Overseas: An External Profile* (Unpublished Ph. D. dissertation) E. Lansing, Michigan State University, p. 57.

tion is particularly noticeable for the younger managers. Only 23% of the executives over 50 had post graduate training compared to 34% of the younger group. Two interesting changes in subject field emphasis are revealed by the data. A much larger proportion of the younger executive group have some post graduate work in commerce and business administration (49.3% compared to 19.3%), probably reflecting the recent popularity of the Master of Business Administration (MBA) degree. On the other hand, the proportion of top executives in the under 50 age group having post graduate training in law is surprisingly low (3.8% vs 21.1%).

Almost 20% of the respondents did not state the name of the university from which they graduated and almost 30% did not name their post graduate university. Nevertheless, most of those who responded to the question were educated in Canada, as shown in Table 6. Universities in the major Eastern Canadian metropolitan centers of Montreal and Toronto along with the Ontario private colleges provided almost two thirds of the Canadian born executive respondents and 46% of all respondents earned their bachelor's degrees from universities in the major Eastern Canadian metropolitan centers of Montreal and Toronto along with the Ontario private colleges. Moreover, nearly 43% of the Canadian born executives and one third of all executive respondents who had done post graduate work pursued their study at the aforementioned universities. The proportion of executive respondents who had been educated in French-language Quebec universities was very small (approximately .8% at the undergraduate and 2.5% at the graduate level).

Examining the birthplace of Canadian born executive respondents vis à vis the locus of their university training, we find that 64% of the Atlantic born stayed in the Atlantic provinces for their education. Two thirds of the Quebec born went to McGill. Of the Ontario born, 46% attended the University of Toronto and 31% went to Western, Queens or McMaster. Forty-six percent of the prairie born went to home universities but 21% went to the University of Toronto. British Columbia educated 38% of her potential executives, but 25% went east to McGill.

In this study, the proportion of university graduates in executive positions varied considerably by industry. The chemical, oil and mining industries had the highest proportion. In these industries are a large number of relatively young firms with a high percentage of executives born in the United States. Banking, trust and loan, and publishing firms

TABLE 6  
UNIVERSITIES ATTENDED BY CANADIAN EXECUTIVES

<i>University Attended</i>	<i>All Executives</i>		<i>Canadian Born</i>	
	<i>Undergrad</i>	<i>Graduate</i>	<i>Undergrade</i>	<i>Graduate</i>
Atlantic universities	12	4	12	4
Quebec French	2	2	2	2
McGill, Sir Geo. Williams	35	11	35	10
University of Toronto	54	10	54	10
Ontario private *	30	6	28	6
Ontario religious	2	0	2	0
Prairie universities	28	5	25	5
University of British Columbia	6	1	5	1
Chartered Accountancy	14	12	12	12
Big Ten (USA) **	8	4	1	3
Other State colleges	25	3	5	2
Ivy League ***	10	15	1	6
Other U.S. Colleges	7	4	2	0
European Universities	13	5	0	0
Totals	256	82	184	61

\* McMaster, Queens, University of Western Ontario, and Carleton.

\*\* Michigan State, Michigan, Indiana, Purdue, Illinois, Iowa, Wisconsin, Minnesota, Ohio State and Northwestern.

\*\*\* Brown, Columbia, Cornell, Dartmouth, Harvard, Pennsylvania, Princeton and Yale.

have the lowest proportion of university graduates. Foreign owned firms seem to place a heavier emphasis on university education for their senior managers. In firms having over 95% Canadian ownership, the percentage of university graduates among the respondents was 58% or 7% below the average. In firms which were 5-49% Canadian owned, the percentage of university graduate respondents was 78% or 13% above the average. In firms where Canadian ownership is negligible, 68% of the top executives were university graduates (3% above the average for all firms).

There did not appear to be any clear relationship between size of firm and educational levels of senior executives in this study.

**Occupational Career Patterns.** What were the career origins of Canadian business leaders? What occupations did they hold as they advanced? Where were they on the occupational ladder at different points in time during their careers? How do the career patterns of major Canadian executives compare with their U.S. counterparts?

In order to answer these questions regarding Canadian executive career sequences and to provide a U.S.-Canadian comparison, the Warner format was used. Respondents were asked for « the occupation you engaged in when you first became self-supporting, » « five years later, » « ten years later, » and « fifteen years later. »

Occupational career sequences for Canadian and U.S. business leaders are shown in Table 7. More than one half the Canadian business leaders held white-collar (including salesmen) jobs at the time of first employment. While 17% began as unskilled or semi-skilled labourers and 13% began in professions, very small proportions owned businesses or even held minor executive positions (2% and 4% respectively).

Five years later, many who had been white-collar and labouring employees had begun to move into minor executive positions. Movement out of the professions and into managerial positions seems to have been somewhat slower.

Within ten years of becoming self-supporting, 66% of the respondents were minor executives and 12% had moved into major executive positions. None remained in labouring occupations and only 6% remained in the white-collar category, although 9% were continuing to hold professional positions. Within 15 years of becoming self-supporting more than one half of the respondents were major executives and more than one third were minor executives.

Career patterns of leading Canadian business executives compared very closely with those of their U.S. counterparts; particularly in view of the 15 year time gap between the two studies. A larger percentage of U.S. executives began their careers as professionals (24% vs 13%) and fewer began as white-collar workers (43% U.S. vs 52% Canadian). Five years later, percentages of U.S. and Canadian executives moving into minor executive roles from labouring and white-collar categories are quite similar, although movement of U.S. respondents from the professions to executive slots appears to have been slower.

Ten years after becoming self-supporting, 72% of the U.S. and 78% of the Canadian men studied had moved into executive positions, although a larger proportion of the U.S. group had already become major executives (26% vs 12%). After 15 years, a larger percentage of Canadian business leaders continued to occupy minor executive positions (37% vs 26%) indicating that progression to the most senior executive levels may be somewhat slower in Canada.

## DISCUSSION

Leading executives in Canada have not emerged proportionately from the general population. Quebec and the Atlantic provinces have not produced their share, while B.C. and the prairie provinces have supplied proportionately more than their shares. Educational and cultural differ-

TABLE 7  
COMPARISON OF BUSINESS LEADERS' CAREER SEQUENCES :  
UNITED STATES-CANADA \*

(in percent)

Occupation	<i>First Occupation</i>		<i>5 Years Later</i>		<i>10 Years Later</i>		<i>15 Years Later</i>	
	US **	Can.	US	Can.	US	Can.	US	Can.
Labourer	14	17	3	5	1	0	0	0
White-collar	43	52	25	38	8	6	3	2
Business owner	1	2	2	6	3	4	3	2
Minor executive	10	4	39	41	46	66	26	37
Major executive	1	0	6	1	26	12	57	52
Professions	24	13	21	12	14	9	10	6
Military service	2	9	2	5	1	2	1	1
Other	5	3	2	4	1	1	0	0
Total	100	100	100	100	100	100	100	100
No response (%)	3	2	4	6	6	8	10	9

\* The study of U.S. business leaders was completed approximately 15 years earlier than this Canadian Study.

\*\* Source : W. Lloyd Warner and J.C. Abegglen, *Occupational Mobility in American Business and Industry* (University of Minnesota Press, 1955) p. 116.

ences may be related to this disparity. Large numbers of executives born in the Atlantic and prairie provinces have migrated to head offices in Ontario and Quebec.

A disproportionately high percentage of leading Canadian executives were born in urban areas where they probably had the benefit of higher standards of education and social acclimatization. United States born executives are holding leading positions in disproportionately large numbers in Canadian firms; particularly in industries which have expanded rapidly.

Major executives in Canada appear to possess more education than the average male Canadian, and levels of education are highest among younger leading executives where more than one third have post graduate training. Engineering was most often studied at the undergraduate level. On the other hand, business administration was most often emphasized at the graduate level among younger executives while a smaller percentage have studied law. Thus, it appears that a sizable group of successful business executives have first acquired technical expertise which was augmented immediately or within a few years by a veneer of formal study in business administration.

Most of the respondents received their post secondary education in Canada, particularly at the major universities in Toronto and Montreal and in private colleges in Ontario. Migration from other points in Canada to these schools is in evidence. In strong contrast, the proportion of major executives educated in French-language universities is almost negligible.

As might be expected, larger proportions of highly educated executives were found in those industries characterized by a large percentage of young and expanding firms. Concomitantly, higher proportions of highly educated managers were found in firms with higher levels of foreign ownership. Assuming that formal education has some positive effect on managerial decision making effectiveness, firms in some stable industries, and having, in large measure, Canadian ownership may be suffering a competitive disadvantage.

Finally, more than half the leading Canadian business executives began their careers as white-collar workers. The movement through minor to major executive positions occurred quite rapidly and within fifteen years 89% had moved into an executive slot. In general, the occupational

career patterns of leading Canadian executives appear strikingly similar to that found earlier among U.S. executives by Warner, although the Canadian executives appeared to attain senior positions a bit more slowly<sup>16</sup>.

## LES CARACTÉRISTIQUES PROFESSIONNELLES DES DIRIGEANTS D'ENTREPRISES AU CANADA

Pour connaître le lieu d'origine, le milieu social, la formation et la carrière professionnelles des dirigeants d'entreprise de renom au Canada, on a eu recours à un questionnaire-enquête. Les interviewés, des présidents de conseil d'administration et des présidents ou vice-présidents de grandes entreprises canadiennes principalement, ont répondu dans une proportion de 49 pour cent et 485 réponses étaient utilisables pour fins d'analyse.

71 pour cent des répondants étaient nés au Canada, mais un pourcentage anormalement élevé d'entre eux provenaient de la Colombie Britannique et des provinces des Prairies, alors que le Québec et les Maritimes n'ont pas donné leur juste part. Les différences d'éducation et de culture peuvent expliquer cette constatation. Les dirigeants originaires des États-Unis détiennent un nombre beaucoup trop considérable des postes de commande dans les grandes entreprises canadiennes, principalement dans les industries qui se sont développées rapidement.

Un fort pourcentage des dirigeants d'entreprise importants étaient natifs de la ville, avaient une éducation avancée et avaient commencé leur carrière comme cols blancs. La plupart avait reçu leur instruction post-secondaire au Canada, principalement dans les grandes universités de Toronto et de Montréal ainsi que dans les collèges privés d'Ontario. Il est manifeste que beaucoup d'entre eux ont émigré de leur place d'origine vers ces centres de haut savoir. Fait frappant, la proportion de hauts dirigeants formés dans les universités de langue française est presque négligeable.

Comme on pouvait s'y attendre, on retrouve une grande partie des dirigeants, qui possèdent une formation supérieure, dans les industries qui comptent un fort pourcentage d'entreprises jeunes et en voie d'expansion. De même, il y a un pourcentage plus élevé de dirigeants de formation supérieure dans les firmes où la proportion des capitaux étrangers est la plus élevée.

Enfin, le passage des postes de commande secondaires aux postes de commande supérieurs se fait très rapidement et 89 pour cent des répondants ont été promus à des fonctions de direction après moins de quinze ans de service. D'une façon générale, le cheminement de la carrière des dirigeants d'entreprise canadiens importants ressemble de très près à celui des dirigeants d'entreprise de renom aux États-Unis.

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<sup>16</sup> WARNER, *op. cit.*, p. 116.